

The Provident Bank

Home Office
One East Fourth Street
Cincinnati, Ohio 45202
513/579-2000

RECORDATION NO. 10035 Filed 1425

JAN 19 1979 -2 30 PM

INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 10035 Filed 1425

JAN 19 1979 -2 30 PM

INTERSTATE COMMERCE COMMISSION

January 18, 1979

RECORDATION NO. 10035 Filed 1425

JAN 19 1979 -2 30 PM

INTERSTATE COMMERCE COMMISSION

Secretary of the
Interstate Commerce Commission
Washington, D.C. 20423

Gentlemen:

Enclosed for filing with respect to the sale of Two Hundred (200) "XF" 70-ton capacity railroad boxcars, specification CC-70-(E)-78, are the following documents:

(1) Conditional Sale Agreement providing for the sale of the boxcars from The Provident Bank, Agent, One East Fourth Street, Cincinnati, Ohio 45202, to BBT, a Nevada limited partnership, One East First Street, Suite 1203, Reno, Nevada 89501;

(2) Agency Agreement between BBT, One East First Street, Suite 1203, Reno, Nevada 89501 and Railway Freight Car Services, Inc., Owner's Agent, North Shore Towers, 269-10C Grand Central Parkway, Floral Park, New York 11005.

(3) Management Agreement between BBT, One East First Street, Suite 1203, Reno, Nevada 89501, and Columbus & Greenville Railway Company, Manager, P.O. Box 6000, Columbus, Mississippi 39701;

(4) Purchase Agreement Assignment from American Financial Corporation, One East Fourth Street, Cincinnati, Ohio 45202, to The Provident Bank, Agent, One East Fourth Street, Cincinnati, Ohio 45202; and

(5) Agency and Management Agreement Assignment among Railway Freight Car Services, Inc., Owner's Agent, North Shore Towers, 269-10C Grand Central Parkway, Floral Park, New

9-619A110

Date JAN 19 1979

Fee \$ 200.00

Washington, D. C.

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JAN 19 1979 -2 30 PM

INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 10035 Filed 1425

JAN 19 1979 -2 30 PM

INTERSTATE COMMERCE COMMISSION

FEE OPERATION BR.
I.C.C.

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William Bowers
Provident

Secretary of the
Interstate Commerce Commission
Page 2
January 18, 1979

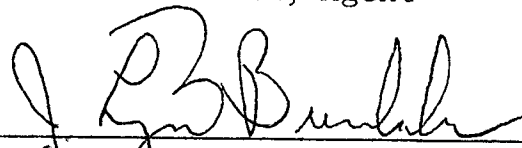
York 11005, BBT, One East First Street, Suite
1203, Reno, Nevada 89501, and The Provident
Bank, Agent, One East Fourth Street, Cincinnati,
Ohio 45202.

As specified above, the railroad boxcars
bear AAR Mechanical Specification "XF", and
Railroad identifying marks and road numbers
of CAGY 25,500-25,699, inclusive. Enclosed
are three fully executed copies of the above-
listed documents for filing with the Interstate
Commerce Commission. I would appreciate it
if you would return a complete stamped copy
to Ingrid M. Olson, Morgan, Lewis & Bockius,
18 M Street, North West, Washington, D.C.
20036.

Very truly yours,

THE PROVIDENT BANK, Agent

BY:


Lynn Brewbaker, Assistant
Vice President

? / CSA done.
21500-21699

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RECORDATION NO. Filed 1425

AGENCY AGREEMENT

JAN 19 1979 -2 30 PM

INTERSTATE COMMERCE COMMISSION

BETWEEN

BBT,
AS OWNER

AND

RAILWAY FREIGHT CAR SERVICES, INC.,
AS OWNER'S AGENT

DATED AS OF DECEMBER 30, 1978

(COVERING UP TO 200 GENERAL PURPOSE BOXCARS)

Filed and recorded with the Interstate Commerce Commission
pursuant to the Interstate Commerce Act on January , 1979,
at _____, Recordation No. _____.

AGENCY AGREEMENT dated as of December 30, 1978, between BBT, a Nevada limited partnership, with BIJUR TRANSPORT, INC. and APARTMENT HOUSE DECORATIVE CO., INC. acting as the sole general partners (hereinafter called the "Owner") and RAILWAY FREIGHT CAR SERVICES, INC., a New York corporation, (hereinafter called "Owner's Agent").

WHEREAS, Owner has entered into a Conditional Sale Agreement dated as of the date hereof (hereinafter called the "Conditional Sale Agreement") with The Provident Bank, an Ohio banking corporation, as Agent (hereinafter called the "Agent"); and

WHEREAS, the Agent has agreed to sell and deliver to the Owner certain Units of railroad equipment described in Schedule A to the Conditional Sale Agreement, (hereinafter individually called a "Unit" and collectively the "Units" or "Equipment"), a copy of which Conditional Sale Agreement has been delivered to Owner's Agent; and

WHEREAS, the Owner has entered into a Management Agreement with Columbus & Greenville Railway Company, a Mississippi railroad corporation (hereinafter called "Manager") dated as of the date hereof (hereinafter called the "Management Agreement") providing for the management of the Equipment pursuant to the provisions thereof; and

WHEREAS, the Owner desires to appoint the Owner's Agent to perform certain of its obligations under the Conditional Sale Agreement, and the Owner's Agent undertakes to perform such obligations, subject to the terms and provisions hereof;

NOW, THEREFORE, in consideration of the foregoing premises and of the mutual covenants hereinafter contained, the parties hereto hereby agree as follows:

1. The Owner hereby appoints the Owner's Agent as its agent to assume all of its duties and obligations and act on its behalf pursuant to the terms and provisions of the Conditional Sale Agreement; provided, however, notwithstanding anything to the contrary contained herein, it is understood and agreed that the Owner's Agent, or any assignee of the Owner's Agent pursuant to Paragraph 9 hereof, shall have no liability arising out of or in connection with the payments or obligations of Owner described in Articles 4, 13, 17 and 20 of the Conditional Sale Agreement.

2. Subject to the terms and conditions hereof, Owner's Agent hereby acknowledges and accepts its appointment as agent hereunder to perform certain of the terms and obligations of

the Owner set forth in Paragraph 1 above, under the Conditional Sale Agreement, a copy of which is attached hereto as Exhibit A, and made a part hereof. Owner hereby agrees to defend, indemnify and hold Owner's Agent harmless from and against any and all loss or damage, including any or all risk or damage to the Units, and to defend, indemnify and hold Owner's Agent harmless from and against any and all claims, damages or expenses incurred by or asserted against Owner's Agent as the result of Owner's Agent's performance of its obligations hereunder or under the Conditional Sale Agreement (collectively "Liabilities"); provided, however, that the foregoing obligations of Owner shall not extend to any Liabilities caused by or attributable to Owner's Agent's negligence or misconduct, any Liabilities arising by reason of any Federal, State or local law, regulation or order to which the Owner's Agent or its performance hereunder is subject, by reason of any past, present or future agreement to which the Owner's Agent is a party or subject, or Owner's Agent's default in the performance of any of its obligations hereunder except if such default occurs as a result of Owner's Agent's failure to make any payment under Paragraph 1 above. Notwithstanding the foregoing, the indemnification shall cover all taxes paid by Owner's Agent with respect to the ownership or use of the Units.

3. As compensation for its acting in the capacity of agent hereunder, Owner's Agent shall receive an Agency Fee (the "Agency Fee") during the term of this Agreement as follows:

A. Five Hundred Dollars (\$500) for the first Fee Year (as such term is defined in the Management Agreement) for each Unit purchased by Owner under the Conditional Sale Agreement and thereafter for each subsequent Fee Year, an amount equal to the lesser of (i) \$525 for the second Fee Year for each Unit then subject to this Agreement, increased by the amount of \$25 per Fee Year, per Unit, in each case, pro rated for each Unit for the portion of such Fee Year that the Unit is subject to this Agreement or (ii) great of the aggregate Net Cash Flow (as such term is defined below) for such Fee Year or one-half of the amount determined under clause (i) above for such Fee Year (the "Fixed Fee"); plus

B. One-half of the difference between (i) the aggregate Net Cash Flow for each Fee Year and (ii) the Fixed Fee for such Fee Year (the "Management Incentive Fee").

As used herein, the term "Net Cash Flow" shall mean, for each Fee Year (i) the amounts when, as and if actually distributed to or received by Owner or

on Owner's behalf by Owner's Agent pursuant to Section 6(a)(1)(D) of the Finance Agreement or in the case of additional or refinancing of the debt secured by the Units the similar net amount received by Owner less the sum of (ii) the aggregate amount of earnings on funds invested in accordance with Section 6(c) of the Finance Agreement or in the case of such additional or refinancing, such similar amounts, (iii) any sums or amounts payable to the Owner's Agent hereunder (other than the Management Incentive Fee and Fixed Fee) and the aggregate amount of management fees and other amounts due and payable to the Manager under the Management Agreement during such period; (iv) the amount of any payments made by Owner or Owner's Agent in the performance of Owner's obligations under the Conditional Sale Agreement or Owner's Agent's obligations under this Agreement, not included in (iii) above or deducted by the Agent prior to making the payment described in (i) above; (v) an amount equal to Twelve Per Cent (12%) of the aggregate amount of the equity investment of Owner pursuant to Section 2 of the Finance Agreement (which amount shall remain constant after the second Closing Date (as such term is defined in the Conditional Sale Agreement); (vi) any other payments made by Owner in respect of the Units; and (vii) Owner's initial and ongoing legal and other out-of-pocket expenditures associated with entering into the transactions described hereunder and the operations contemplated hereby.

Provided, however, that the Management Incentive Fee which is due and payable in any particular Fee Year shall not exceed the cumulative excess of Net Cash Flow over the Fixed Fee for that particular and all prior Fee Years. For example, if cumulative Net Cash Flow less Fixed Fees for that particular and prior Fee Years were negative, no Management Incentive Fee would be due or payable hereunder in that particular Fee Year.

For purposes of this Paragraph 3, a Unit shall no longer be deemed subject to this Agreement on and after the date that a Casualty Occurrence (as defined in the Conditional Sale Agreement) has occurred or for any other reason is not then owned by Owner.

C. The Agency Fee shall accrue and be payable to Owner's Agent for each Fee Year as provided below:

Owner shall pay to Owner's Agent quarterly, from the commencement date of the first Fee Year, the first payment being due and payable on the last day of the third quarter and thereafter on the last day of each subsequent quarter, the amount of the Fixed Fee which has accrued during such period. In addition, Owner shall pay to Owner's Agent, on or before the last day of each Fee Year, an amount equal to the Incentive Management Fee which Owner's Agent determines in good faith to have accrued during such Fee Year. Within ninety (90) days after the end of each Fee Year, the actual amount of the Incentive Management Fee, for such Fee Year, shall be finally determined by Owner's Agent, and any additional amount owing to Owner's Agent, or any amount to be refunded to Owner, shall be promptly remitted to the appropriate party within ten (10) days after written notice of the final amount, as so determined, has been given to Owner.

4. Owner covenants and agrees that if it at any time Owner refinances the Conditional Sale Indebtedness (as such term is defined in the Conditional Sale Agreement) or obtains any additional financing, secured by any or all of the Units, the proceeds of such new indebtedness shall be applied forthwith first to (i) repay the debt so refinanced, and then (ii) to the necessary repair and maintenance of the Units to AAR Standards and the excess amount, if any, shall be treated and distributed as if it were proceeds of a sale or other disposition of Units in accordance with Paragraph 5 hereof.

5. Upon the sale or other disposition of any or all of the Units, which sale or other disposition may only be made in an arms length transaction with an unaffiliated third party, or upon the receipt of proceeds with respect to a Unit which suffers a Casualty Occurrence (as such term is defined in the Conditional Sale Agreement), Owner shall remit to Owner's Agent, promptly after such sale or other disposition, an amount equal to: One-half of an amount equal to the difference between (i) the proceeds of such sale or other disposition or Casualty Occurrence after the payment of all debt secured by such Units, and (ii) (x) the Owner's out-of-pocket costs incident to such sale or other disposition plus (y) the amount of Owner's equity investment pursuant to Section 2 of the Finance Agreement, less [subject to a maximum amount equal to the amount set forth in this clause (y)] (z) the cumulative aggregate amount of Net Cash Flow received by Owner less all payments to Agent hereunder not subtracted in the definition of Net Cash Flow. In the case of multiple sales, disposition or casualties, this formula

for subsequent transactions shall be appropriately modified to take into account the prior return of equity to the Owner. Anything herein to the contrary notwithstanding Owner's Agent shall not be entitled to any of the amounts otherwise payable to Owner's Agent under this Paragraph 5, if at or prior to the date of such sale or other disposition or Casualty Occurrence, the Owner's Agent has been discharged as Owner's Agent hereunder as a result of an Event of Default having occurred and be continuing, provided that such discharge occurred during the Initial Term of this Agreement.

6. As long as no Event of Default has occurred and is continuing, if Owner enters into a new management agreement with another railroad during the Initial Term of this Agreement, or modifies or amends the Management Agreement, Owner's Agent shall continue to act as Owner's Agent hereunder, with appropriate modification of this Agreement to reflect the terms and conditions of such new management agreement.

7. A. In the event the Owner's Agent receives payments made to it by the Agent under the Conditional Sale Agreement, it will hold such payments in trust for application in accordance with the provisions of this Paragraph 7 in the following order of priority:

(i) If there is no declaration of default (as defined in the Conditional Sale Agreement) in effect under the Conditional Sale Agreement, then, on the next date for an installment payment of principal of and interest on the Conditional Sale indebtedness, the Owner's Agent shall disburse such monies as it is then holding hereunder; (a) first, to the payment of any and all obligations due and owing the Manager pursuant to the Management Agreement; (b) second, to the application to the payment of the Agency Fee pursuant to Section 3 hereof; and (c) third, the balance, if any, to the Owner.

(ii) In the event a declaration of default (as defined in the Conditional Sale Agreement) is in effect thereunder, all monies held by or coming into the possession of the Owner's Agent hereunder or under the Management Agreement or Conditional Sale Agreement, immediately shall be distributed by the Owner's Agent to the Agent for application by the Agent under the Conditional Sale Agreement.

8. Term. The initial term of this Agency Agreement (hereinafter called the "Initial Term") shall begin on the date of the delivery to and acceptance by the Manager under the Management Agreement of such Unit and shall terminate, except with respect to the provisions of Paragraphs 4 and 5 hereof, with respect to all Units on January 30, 1994; provided, however, this Agency Agreement shall be terminable by Owner, subject to the provisions of Paragraph 5 hereof, if an Event of Default shall have occurred and be continuing and shall automatically be extended for not more than five (5) successive periods of twelve (12) months each (hereinafter called an "Extended Term") with respect to all Units not suffering a Casualty Occurrence (as defined in the Conditional Sale Agreement) unless Owner or Owner's Agent gives written notice to the other delivered not less than twelve (12) months prior to the end of the Initial Term or any Extended Term of its intention to terminate this Agency Agreement, in which case this Agency Agreement shall terminate as to all, but not less than all, of the Units on the last day of the Initial Term or the Extended Term set forth in such notice.

9. Without the prior written consent of Owner and Agent, which consent may be unreasonably withheld, Owner's Agent shall not assign or transfer its interest or except as permitted herein, delegate any of its duties or obligations under this Agency Agreement or in or to or with respect to the Equipment, and any attempted assignment or transfer shall be of no force or effect.

Nothing contained in this Paragraph 9 shall be deemed to restrict the right of Owner's Agent to assign or transfer its rights and interests under this Agency Agreement to any corporation (which shall have expressly assumed in writing the due and punctual payment and performance of all obligations hereunder of Owner's Agent) into or which Owner's Agent shall become merged or consolidated or which shall have acquired the property of Owner's Agent as an entirety or substantially as an entirety.

10. Owner's Agent's Warranties. Owner's Agent hereby represents and warrants that:

A. Owner's Agent is a corporation duly organized and existing in good standing under the laws of the State of New York, and is duly qualified in all foreign jurisdictions in which such qualification is necessary.

B. Owner's Agent is duly authorized to execute and deliver this Agency Agreement, and is duly authorized to perform its obligations hereunder.

C. The execution and delivery of this Agency Agreement by Owner's Agent, and the performance by Owner's Agent of its obligations hereunder, do not conflict with any provision of law or of the Charter or Bylaws of Owner's Agent or of any indenture, mortgage, deed of trust, or other agreement or instrument binding upon Owner's Agent or to which Owner's Agent is a party.

D. The execution, delivery and performance of this Agency Agreement by Owner's Agent and the consummation by Owner's Agent of the transactions contemplated hereby do not require the consent, approval or authorization of, or notice to, any federal, state or local governmental authority or public regulatory body.

E. Owner's Agent's financial statement as of September 30, 1978, a copy of which has been furnished to Owner and Agent, has been prepared in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding fiscal year and presents fairly the financial position of Owner's Agent as of the date thereof, and the results of its operations for the period then ended, and since such date there has not been any material adverse change in its financial position.

F. This Agency Agreement is a legal, valid and binding obligation of Owner's Agent, enforceable in accordance with its terms.

G. There are not any pending or threatened actions or proceedings before any court or administrative agency which will to a material extent adversely affect the financial condition or continued operation of Owner's Agent and its subsidiaries on a consolidated basis (except as previously disclosed in writing by Owner's Agent) or the ability of Owner's Agent to perform its obligations under this Agency Agreement.

11. The Owner's Agent shall at all times maintain its corporate existence, and the Owner's Agent shall not consolidate with or merge into any other corporation or convey, transfer or lease substantially all of its assets as an entirety to any other Person (which means any individual, corporation, partnership, joint venture, association, trust, unincorporated organization or government or agency thereof) unless the corporation formed by such consolidation or merger or the Person which acquires substantially all the assets of the Owner's Agent shall be a corporation organized and existing under the laws of the United States or any state or the District of Columbia, and shall execute and deliver to the Owner and Agent an agreement in form satisfactory to the Owner and Agent containing an assumption of such successor corporation or Person of the due and punctual performance of the covenants and conditions of this Agreement and the Finance Agreement; provided further immediately after giving effect to such transaction, no Event of Default and no event, which after notice or lapse of time, or both, would become an Event of Default, shall have occurred and be continuing.

12. If Owner's Agent materially fails to perform any of its material obligations hereunder, other than the failure to make any payments required under Paragraph 1 hereof and such default shall have occurred and be continuing for a period of thirty (30) days after written notice to Owner's Agent, such event shall constitute an Event of Default hereunder.

13. Any notice required or permitted to be given by either party hereto to the other shall be deemed to have been given when deposited in the United States certified mails, first class postage prepaid, addressed as follows:

If to the Owner:

BBT
One East First Street
Suite 1203
Reno, Nevada 89501

with copies to:

The Provident Bank, Agent
One East Fourth Street
Cincinnati, Ohio 45202
Attention: J. Lynn Brewbaker

If to Owner's Agent:

Railway Freight Car Services, Inc.
North Shore Towers
269-10C Grand Central Parkway
Floral Park, New York 11005
Attention: Harvey Polly

with a copy to:

Kronish, Lieb, Shainswit, Weiner & Hellman
1345 Avenue of the Americas
New York, New York 10019
Attention: Steven K. Weinberg

14. If Owner's Agent fails to make any payments required by this Agency Agreement, or to perform any of its other agreements contained herein, Owner may itself, but shall not be required, except to the extent required under the Conditional Sale Agreement, to, make any such payments or perform any such obligations. The amount of any such payment and Owner's expenses, including (without limitation) reasonable legal fees and expenses in connection therewith and with such performance, shall thereupon be and become payable by Owner's Agent to Owner upon demand unless such amounts constitute Liabilities under Paragraph 2 hereof.

15. Any provision of this Agency Agreement which is prohibited or unenforceable in any jurisdiction shall be, as to such jurisdiction, ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

This Agency Agreement, and the Exhibit hereto exclusively and completely state the agreements of the Owner and the Owner's Agent with respect to the Equipment and supercede all other agreements, oral or written, with respect thereto. No variation or modification of this Agency Agreement and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Owner and the Owner's Agent.

16. This Agency Agreement may be executed in several counterparts, but the counterpart delivered to the Interstate Commerce Commission for recordation and subsequently

redelivered to the Agent, shall be deemed the original counterpart, and all other counterparts shall be deemed duplicates thereof. Although for convenience, this Agency Agreement is dated as of the date first above set forth, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgements hereto annexed.

17. The terms of this Agency Agreement and all rights and obligations hereunder shall be governed by the laws of the State of New York; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. 11303 and such additional rights arising out of the filing, registering, recording or depositing hereof and of any assignment hereof.

18. This Agency Agreement and the Exhibit hereto shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto each pursuant to due authority, have caused this instrument to be executed in their respective names by duly authorized officers or general partners, and in the case of Railway, its corporate seal to be hereunto affixed and duly attested, all as of the date first above written.

BBT, Owner

BY: Bijur Transport, Inc.
General Partner

BY: Kristina Haiker, President

BY: Apartment House Decorative Co., Inc.
General Partner

BY: Kristina Haiker, President

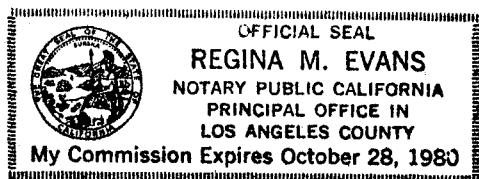
RAILWAY FREIGHT CAR SERVICES, INC.

BY: [Signature]

STATE OF California
: SS:
COUNTY OF Los Angeles

BEFORE ME, this 16 day of January, 1979, the
Subscriber, a Notary Public in and for said County and
State, personally appeared Christine Parker, President of
BIJUR TRANSPORT, INC. and Christine Parker, President
of APARTMENT HOUSE DECORATIVE CO., INC., the General Partners
of BBT, a Partnership, and for themselves and as such Partners
and for and on behalf of said Partnership, acknowledged that
the signing and execution of the foregoing instrument is
their free and voluntary act and deed, their free act and
deed, as such Partners, and the free and voluntary act and
deed of said Partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and
affixed my Notarial Seal on the day and year aforesaid.



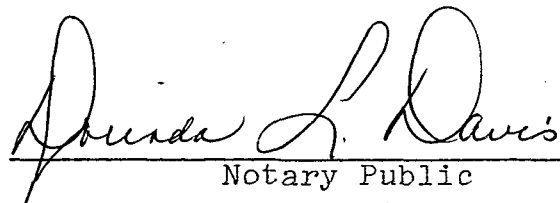
Regina M. Evans
Notary Public

STATE OF NEW YORK)
 : SS.
COUNTY OF NEW YORK)

BEFORE ME, the Subscriber, a Notary Public in and for said County and State, personally appeared HARVEY POLLY, President of RAILWAY FREIGHT CAR SERVICES, INC., the corporation which executed the foregoing instrument, who acknowledged he did sign said instrument as such officer on behalf of said corporation, and by authority of its Board of Directors, and that the execution of said instrument is his free and voluntary act and deed individually and as such officer, and the free and voluntary act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my Notarial Seal this 17th day of January, 1979.




Notary Public

DORINDA L. DAVIS
NOTARY PUBLIC, STATE OF NEW YORK
No. 31-4657768
Qualified in New York County
Commission Expires March 30, 1979

CONDITIONAL SALE AGREEMENT

DATED AS OF DECEMBER 30, 1978

BETWEEN

THE PROVIDENT BANK, CINCINNATI, OHIO
AS AGENT, VENDOR

AND

BBT,
VENDEE

(COVERING UP TO 200 GENERAL PURPOSE BOXCARS)

Filed and recorded with the Interstate Commerce Commission
pursuant to 49 U.S.C. 11303 of the Interstate Commerce Act on
January __, 1979, at _____, Recordation No. _____.

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I N D E X *

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*This Index is included for convenience only and does not form a part of, or affect any construction or interpretation of this Instrument.

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CONDITIONAL SALE AGREEMENT dated as of December 30, 1978, between THE PROVIDENT BANK, an Ohio banking corporation, as Agent (hereinafter called the "Agent" or "Vendor") and BBT, a Nevada limited partnership with BIJUR TRANSPORT, INC. a Nevada corporation, and APARTMENT HOUSE DECORATIVE CO., INC., a New York corporation, acting as the two general partners (hereinafter called the "Vendee").

WHEREAS, Constructora Nacional de Carros de Ferrocarril, S.A. (hereinafter called the "Builder") will construct, sell and deliver to the Vendor and the Vendor will sell and deliver to the Vendee, and the Vendee will purchase, the railroad equipment described in the Annex A hereto (hereinafter called collectively the "Equipment" or "Units" and individually a "Unit") which Equipment shall be constructed in accordance with the specifications referred to in a certain Purchase Agreement between AMERICAN FINANCIAL CORPORATION, an Ohio corporation, and the Builder, dated January 4, 1979, the rights under which have been assigned to Vendor under a certain Purchase Agreement Assignment of even date herewith (hereinafter called the "Purchase Agreement Assignment") and under which the obligations have been assigned to Cantor Fitzgerald Group, Ltd. subject to the terms of the Finance Agreement (hereinafter called the "Purchase Agreement"), the terms of which Purchase Agreement and specifications attached thereto are included herein by this reference thereto; and

WHEREAS, the Vendee, prior to or simultaneously with the execution of this Agreement, will enter into an agency agreement dated as of the date hereof (hereinafter called the "Agency Agreement") with Railway Freight Car Services, Inc., a New York corporation (hereinafter called "Owner's Agent") in substantially the form of Annex B hereto.

WHEREAS, Vendee will enter into a management agreement dated as of the date hereof, (hereinafter called the "Management Agreement") with Columbus & Greenville Railway Company (hereinafter individually called the "Manager") in substantially the form of Annex C hereto.

NOW, THEREFORE, in consideration of the mutual covenants, and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

ARTICLE 1. Assignment; Definition; Additional Agreements.
The parties hereto contemplate that the Vendee will furnish that portion of the purchase price for the Equipment as is required under subparagraph (a) of the third paragraph of Article 4 hereof and that an amount equal to the balance of

said purchase price shall be paid to the Builder (and with respect to reasonable costs and expenses of not more than \$300,000, (which shall not be illegal payments under the laws of the United States, any State or any foreign jurisdiction) to such other entity as the Vendee shall request pursuant to Article 20 of this Agreement) by Vendor pursuant to a Finance Agreement of even date herewith (hereinafter called the "Finance Agreement").

The Vendee will assign to the Agent, as security for the payment and performance of all the Vendee's obligations hereunder, all right, title and interest of the Vendee in and to the Agency Agreement and the Management Agreement and in and to any subsequent agreement or lease affecting the Equipment pursuant to the Agency and Management Agreement Assignment in substantially the form of Annex D hereto.

Notwithstanding any other provision contained herein, in the event that on any Closing Date (as hereinafter defined) the Builder does not receive from the Vendee and the Agent pursuant to this Agreement, in cash, the aggregate amount of the Invoiced Purchase Price (as hereinafter defined) for all Units for which settlement is then being made, then such Units as to which the aggregate Invoiced Purchase Price is not received in cash by the Builder shall be excluded herefrom. If any Unit shall be excluded herefrom pursuant to the immediately preceding sentence, the parties hereto shall execute an agreement supplemental hereto limiting this Agreement to the Units not so excluded herefrom.

The term "Vendor", whenever used in this Agreement, means, the Agent, as purchaser of the rights of the Builder under the Purchase Agreement and Bills of Sale and any assignee or assignees and also any assignor of any rights hereunder.

ARTICLE 2. Construction and Sale. Pursuant to the Purchase Agreement and this Agreement, the Vendor shall purchase the Equipment set forth in Annex A hereto from the Builder, and simultaneously will sell and deliver such Equipment to the Vendee, and the Vendee will purchase from the Vendor and accept delivery of and pay for (as hereinafter provided) the Equipment, each Unit of which shall be constructed in accordance with the specifications referred to in the first Recital of this Agreement and in accordance with such modifications thereof as may be agreed upon in writing between the Builder and the Vendee (which specifications, and modifications, if any, are hereinafter called the "Specifications"). The design, quality, and component parts of each Unit of the Equipment shall conform, on the date of completion of manufacture thereof, to all Department

of Transportation and Interstate Commerce Commission (hereinafter called the "ICC") requirements and specifications and to all standards recommended by the Association of American Railroads (hereinafter called the "AAR") reasonably interpreted as being applicable to railroad equipment of the character of such Unit, and each such Unit will be new railroad equipment.

ARTICLE 3. Inspection and Delivery. The Vendor will deliver the Units of the Equipment to the Vendee during the delivery period specified in Annex A hereto at Laredo, Texas, or such other place as Builder shall deliver the cars to the Vendor, freight charges, if any, prepaid; provided, however, that delivery of any Unit of the Equipment shall not be made until this Agreement has been filed and recorded with the ICC in accordance with 49 USC 11303; provided, further, that the Vendor shall have no obligation to deliver any Unit of Equipment hereunder subsequent to the commencement of any proceedings specified in clause (d) of Article 15 hereof or the occurrence of any event of default (as described in Article 15 hereof), or event which, with the lapse of time and/or notice, would constitute such an event of default.

The Vendor's obligation as to time of delivery is subject, however, to delays resulting from causes beyond the Builder's or Vendor's reasonable control, including but not limited to acts of God, acts of government such as embargoes, priorities, and allocations, war or war conditions, riot or civil commotion, sabotage, strikes, differences with workmen, accidents, fire, flood, explosion, damage to plant, equipment or facilities, delays in receiving necessary materials or delays of carriers or subcontractors; provided, however, it is expressly understood and agreed that the Vendor's obligations hereunder shall be performed by the Builder under the Purchase Agreement, and Vendor shall have no obligations or liability for nonperformance hereunder.

Notwithstanding the preceding provisions of this Article 3, any Equipment not delivered, accepted and settled for pursuant to Article 4 hereof on or before the Cut-Off Date (as defined in Article 4 hereof) shall be excluded herefrom. If any Equipment shall be excluded herefrom pursuant to the immediately preceding sentence, the parties hereto shall execute an agreement supplemental hereto limiting this Agreement to the Equipment not so excluded herefrom.

During construction, the Equipment shall be subject to inspection and approval by the authorized inspectors of the Vendee. Upon completion of the sample Unit and each Unit of the Equipment, such Unit or Units shall be presented to an

authorized inspector of the Vendee (who may be an employee or Agent of either the Manager or the Owner's Agent) for inspection at the Builder's plant or the place specified for delivery of such Unit or Units. If each such Unit conforms to the Specifications, requirements and standards applicable thereto, such inspector or an authorized representative of the Vendee, on an acceptable date agreed upon by the Builder and the Vendor shall execute and deliver to the Builder and the Vendor a certificate of acceptance substantially in the form annexed as Exhibit A to the Management Agreement (hereinafter called a "Certificate of Acceptance") stating that such Unit or Units have been delivered, inspected and accepted on behalf of the Vendee on the date indicated in such Certificate of Acceptance (such date being hereinafter called the "Delivery Date") and are marked in accordance with Article 9 hereof.

ARTICLE 4. Purchase Price and Payment. The base price or prices per Unit of the Equipment to Vendee are set forth in Annex A hereto. Such base price or prices may be increased as is agreed to by the Vendor and the Vendee, in the independent exercise of their sole and absolute discretion with the prior consent of the Lender (as defined in the Finance Agreement), which consent of Lender may be unreasonably withheld. The term "Invoiced Purchase Price" as used herein shall mean that base price or prices as set forth in Annex E as so increased.

The Equipment shall be settled for in two groups of Units, (hereinafter individually "Group" and collectively "Groups") the first of which shall provide for the first one hundred (100) Units of the Equipment delivered to and accepted by the Vendee (or if less than one hundred (100) Units are delivered and accepted by June 30, 1979, then such lesser number of Units as are delivered and accepted by such date), and the second of which shall provide for the remaining Units delivered to and accepted by the Vendee prior to June 30, 1979. The term "Closing Date" with respect to any Group shall mean such date not later than June 30, 1979, (hereinafter called the "Cut-Off Date") as shall be fixed by the Vendee or Owner's Agent by written notice delivered to the Builder, and the Vendor at least five business days prior to the Closing Date designated therein. The term "business days" as used herein means calendar days, excluding Saturdays, Sundays, and any other day on which banking institutions in Cincinnati, Ohio are authorized or obligated to remain closed.

The Vendor hereby acknowledges its obligation to purchase the Equipment from the Builder pursuant to the Purchase Agreement and Purchase Agreement Assignment for sale to the Vendee hereunder. The Vendee hereby acknowledges itself to

be indebted to the Vendor in the amount of, and hereby promises to pay in cash to the Vendor at such place as the Vendor may designate, the Invoiced Purchase Price, plus up to Three Hundred Thousand (\$300,000) of reasonable costs and expenses (which shall not be illegal payments under the laws of the United States, any State or any foreign jurisdiction) actually incurred by Vendee pursuant to Article 20 hereof and disbursed by Agent under the Finance Agreement (such amount of expenses, plus the Invoiced Purchase Price being hereinafter called the "Purchase Price") of the Equipment, plus payments into the Maintenance Escrow Account (as hereafter defined in Article 17 hereof) as follows:

(a) On the Closing Date with respect to each Group an amount equal to the greater of 20% of the Invoiced Purchase Price of such Units or the amount by which the Invoiced Purchase Price for such Units exceeds Thirty Thousand (\$30,000) Dollars per Unit;

(b) In One (1) semi-annual payment in arrears and Fifty-Eight (58) consecutive quarterly installments in arrears as hereinafter provided the amount of the Purchase Price not paid pursuant to Clause (a) above, together with interest thereon as set forth below; and

(c) In One (1) semi-annual payment in arrears, Eleven (11) consecutive quarterly installments in arrears, and thereafter, Twelve (12) consecutive annual installments in advance, the amount of the Maintenance Escrow Account in the manner and subject to the terms and provisions of Article 17 hereof.

The portion of the Purchase Price payable pursuant to subparagraph (b) of the preceding paragraph (herein called the "Conditional Sale Indebtedness") and the first semi-annual payment in arrears under subparagraph (c) shall be payable together with respect to the payment described in subparagraph (b) with interest from the Closing Date on which such payment is disbursed, as hereinafter set forth as follows: (i) on July 30, 1979, Vendee shall pay principal in an amount (assuming prior delivery of 200 Units) of Seventy-Six Thousand Two Hundred Forty-Seven and 87/100 Dollars (\$76,247.87) plus accrued interest on the Conditional Sale Indebtedness at the interest rate hereinafter set forth and the semi-annual payment under subparagraph (c). Provided, however, in the event the receipts, revenues, earnings, deposits or other payments generated by the Equipment assigned to Vendor hereunder, or payable to Vendee under Section 5 of the Management Agreement are insufficient to make such payment, Vendor hereby agrees to and upon request of Vendee shall loan Vendee an amount which, after application of the above-described payments shall be sufficient to pay such amounts ("Interim Loan"), which loan shall bear interest at the rate hereinafter specified for the Conditional Sale Indebtedness, and which loan shall be payable in full on

July 30, 1980, subject to the terms and provisions of a Promissory Note in form and substance acceptable to Vendor with all interest then due and owing thereon; and (ii) Vendee shall pay, starting on October 30, 1979, on each October 30, January 30, April 30 and July 30, to and including January 30, 1994, equal payments of Conditional Sale Indebtedness principal and interest, with interest payable quarterly in arrears, each such payment to be an amount equal to 3.709829% of the Conditional Sale Indebtedness which amount is calculated so as to repay all principal and interest due and owing upon the last such quarterly payment; plus on July 30, 1980, principal and interest on the Interim Loan. Conditional Sale Indebtedness shall bear interest at the rate of 12-1/2% per annum from the Closing Date on which such funds are disbursed. The installments due under subparagraph (b) of the preceding paragraph shall completely amortize the Conditional Sale Indebtedness and all interest with respect to such indebtedness.

The Vendor will furnish to the Vendee promptly after the Cut-Off Date a schedule, in such number of counterparts as shall be requested by the Vendee and in form and substance satisfactory to Vendor, showing the aggregate respective amounts of principal and interest payable in installments.

As additional security for the payments due under this Agreement, Vendee hereby assigns to Vendor, all receipts, revenues, earnings, deposits, or other payments of whatever kind or nature, due and owing to the Vendee generated by the Equipment; and all payments to the Manager or any other manager or user of the Equipment from Vendee shall be subordinated to Vendor's payments under this Agreement.

Interest under this Agreement shall be determined on the basis of a 360-day year composed of twelve (12) 30-day months, with periods of less than a full calendar month being calculated on the basis of actual days elapsed.

The Vendee will pay interest, to the extent legally enforceable, at the rate of Four Percent (4%) per annum in excess of the interest rate then payable on the Conditional Sale Indebtedness, upon all payments remaining unpaid after the same shall have become due and payable pursuant to the terms hereof, or such lesser amount as shall be legally enforceable, anything herein to the contrary notwithstanding.

All payments provided for in this Agreement shall be made in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts and shall be payable in immediately available funds. Except as provided in Article

7 hereof and in the next succeeding paragraph, the Vendee shall not have the privilege of prepaying any portion of the Conditional Sale Indebtedness prior to the date it becomes due.

There shall be no voluntary prepayment of the Conditional Sale Indebtedness during the first three (3) years of the term thereof from and after the first Closing Date. In the event of an involuntary prepayment of the Conditional Sale Indebtedness during the first three (3) years of the term thereof, excluding a prepayment in the event of a Casualty Occurrence (as hereinafter defined), Vendee shall pay a prepayment premium of Five Per Cent (5%) of the principal amount so prepaid. Vendee shall have the right to prepay the Conditional Sale Indebtedness at any time after the first three (3) years of the term thereof, in whole at any time or from time to time in part, provided, however, that each partial prepayment shall be in the principal amount of at least One Hundred Thousand Dollars (\$100,000) or an integral multiple thereof, and further provided, that until the seventh anniversary of the first Closing Date, Vendee shall pay a prepayment premium at Three Per Cent (3%) of the principal amount so prepaid, which prepayment premium shall be reduced by One Per Cent (1%) each year commencing on the fourth anniversary of the first Closing Date. (By way of example and not in limitation of the preceding sentence, if a prepayment of Conditional Sale Indebtedness is made between the third and fourth anniversaries of the first Closing Date, the prepayment premium shall be Three Per Cent (3%) of the amount so prepaid; and if a prepayment is made between the fifth and sixth anniversary of the first Closing Date, the prepayment premium shall be One Per Cent (1%) of the amount so prepaid.) All prepayments made pursuant to the provisions of this paragraph shall be applied to prepay ratably, in accordance with the unpaid balance of each installment, the Conditional Sale Indebtedness and the Vendor will promptly furnish to the Vendee a revised schedule of payments of principal and interest thereafter to be made, in such number of counterparts as the Vendee may request, calculated as provided in this Article 4 hereof. Notwithstanding the foregoing, there shall be no prepayment penalty in the event of a Casualty Occurrence, regardless of when it occurs.

Vendor shall have the right to accelerate the Conditional Sale Indebtedness on or at anytime after the fifth (5th) anniversary of the first Closing Date, at its sole option, upon not less than One Hundred and Eighty (180) days [and not more than Two Hundred and Forty (240) days] prior written notice to Vendee, in which event Vendee shall pay to Vendor without penalty or premium, all principal and interest due and owing upon the Conditional Sale Indebtedness, and all other amounts due and owing to Vendor hereunder, or otherwise; provided, however, Vendee shall give Vendor

written notice of Vendor's right to accelerate the Conditional Sale Indebtedness not less than One Hundred Eighty (180) and not more than Two Hundred and Forty (240) days prior to the fifth (5th) anniversary of the first Closing Date, and upon Vendee's failure to give such notice, Vendor shall have the right to accelerate the Conditional Sale Indebtedness upon Thirty (30) days prior written notice.

The Vendor, on each Closing Date as herein defined with respect to the Units delivered on or prior to said Closing Date, shall make payment for the respective Units to the Builder in accordance with the Purchase Agreement and Purchase Agreement Assignment upon receipt of the Commitment of the Owner and the Lender (as defined in Paragraph 2 of the Finance Agreement) provided that there shall have been delivered to the Vendor (with an executed counterpart to the Vendee and, in the case of legal opinions, an executed counterpart addressed to Vendee), and at least one business day prior to such Closing Date, the following documents, in form and substance satisfactory to it and to its counsel, in such number of counterparts as may be reasonably requested by said counsel:

(a) A bill of sale from the Builder to the Vendor transferring to the Vendor title to the Units then being settled for under the Purchase Agreement, warranting to the Vendor (i) that, at the time of delivery of such Units, the Builder had legal title to such Units and good and lawful right to sell such Units and (ii) that, at the time of delivery of such Units, title to such Units was free of all claims, liens, security interests and other encumbrances of any nature (except those created as a result of the actions of the Agent and Builder's rights under the Purchase Agreement) and covenanting to defend the title to such Units against the demands of all persons whomsoever based on claims originating prior to the delivery of such Units by the Builder;

(b) A Certificate or Certificates of Acceptance with respect to the Units as contemplated by Article 3 hereof and Section 2 of the Management Agreement;

(c) An invoice of the Builder addressed to the Vendor for the Units accompanied by or having endorsed thereon a certification by the Vendee as to the correctness of the prices of such Units;

(d) Those opinions of counsel for Vendee, Manager, Builder, Vendor and Messrs. Morgan, Lewis & Bockius, set forth in subparagraphs (d), (e), (f), (h) and (k) in Paragraph 4 of the Finance Agreement;

(e) A receipt from the Builder for any payment made directly to the Builder by the Vendee under the Purchase Agreement.

The obligation of the Agent hereunder to make payment for any of the Units assigned hereunder is hereby expressly conditioned upon the Agent having on deposit, pursuant to the terms of the Finance Agreement, sufficient funds available to make such payment. The Agent shall not be obligated to make any above-mentioned payment at any time while an event of default, or any event with which the lapse of time and/or demand provided for in this Agreement or Management Agreement would constitute an event of default, shall be existing under this Agreement or Management Agreement.

ARTICLE 5. Title to the Equipment. The Vendor shall and hereby does retain the full security title to and a security interest in the Equipment until the Vendee shall have made all its payments under this Agreement and shall have kept and performed all its agreements herein contained, notwithstanding any provision of this Agreement limiting the liability of the Vendee and, notwithstanding the delivery of the Equipment to and the possession and use thereof by the Vendee, the Owner's Agent or the Manager as provided in this Agreement, the Agency Agreement and the Management Agreement. Any and all additions to the Equipment and any and all parts installed on and additions and replacements made to any Unit of the Equipment shall constitute accessions to the Equipment and shall be subject to all the terms and conditions of this Agreement and shall be included in the term "Equipment" as used in this Agreement. (All such security title to security interest in the Equipment hereinabove retained by the Vendor and any such accessions are hereinafter called collectively, the "Security Title".)

Except as otherwise specifically provided in Article 7 hereof, when and only when the Vendor shall have been paid the full indebtedness in respect of the Purchase Price of the Equipment, together with interest and all other payments as herein provided, and all the Vendee's obligations herein contained shall have been performed, absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Vendee without further transfer or action on the part of the Vendor. However, the Vendor, if so requested by the Vendee at that time, at the expense of the Vendee will (a) execute a bill or bills of sale for the

Equipment transferring its Security Title thereto and property therein to the Vendee, or upon its order, free of all liens, security interests, and other encumbrances created or retained hereby and deliver such bill or bills of sale to the Vendee at its address referred to in Article 22 hereof, (b) execute and deliver at the same place, for filing, recording, or depositing in all necessary public offices, such instrument or instruments in writing as may be necessary or appropriate in order then to make clear upon the public records the title of the Vendee to the Equipment and (c) pay to the Vendee any money paid to the Vendor pursuant to Article 7 hereof and not theretofore applied as therein provided. The Vendee hereby waives and releases any and all rights, existing or that may be acquired, in or to the payment of any penalty, forfeit or damages for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file any certificate of payment in compliance with any law or statute requiring the filing of the same, except for failure to execute and deliver such bill or bills of sale or instrument or instruments or to file such certificate within a reasonable time after written demand by the Vendee.

ARTICLE 6. Taxes. All payments to be made by the Vendee hereunder will be free of expense to the Vendor for collection or other charges and will be free of expense to the Vendor with respect to the amount of any local, state, federal or foreign taxes (other than income taxes, gross receipts taxes except gross receipts taxes in the nature of or in lieu of sales, use or rental taxes, franchise taxes measured by net income based upon such receipts, excess profits taxes and similar taxes or Impositions imposed by the State of Ohio or any county or city therein, or any political instrumentality or subdivision thereof, arising by reason of the sale to the Vendee hereunder) or license fees, assessments, charges, fines or penalties hereafter levied or imposed upon or in connection with or measured by this Agreement or any sale, rental, use, payment, shipment, delivery or transfer of title under the terms hereof (all such expenses, taxes, license fees, assessments, charges, fines and penalties being hereinafter called "Impositions"), all of which Impositions the Vendee assumes and agrees to pay on demand. The Vendee will also pay promptly all Impositions which may be imposed upon the Equipment delivered to it or for the use or operation thereof or upon the earnings arising therefrom or upon the Vendor solely by reason of Vendor's ownership of Security Title thereto and will keep at all times all and every part of the Equipment free and clear of all Impositions which might in any way affect the title of the Vendor or result in a lien upon any part of the Equipment; provided, however, that the Vendee shall be under

no obligation to pay any Impositions of any kind so long as it is contesting in good faith and by appropriate legal proceedings such Impositions and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the title, property, or rights of the Vendor in or to the Equipment or otherwise under this Agreement. If any Impositions shall have been charged or levied against the Vendor directly and paid by the Vendor, the Vendee shall reimburse the Vendor upon presentation of an invoice therefor, and any amounts so paid by the Vendor shall be secured by and under this Agreement, and shall bear interest at the same rate as the Conditional Sale Indebtedness from the date of payment by Vendor to and including the date of reimbursement by Vendee.

ARTICLE 7. Maintenance, Casualty Occurrences, Insurance.
The Vendee will at all times and at its own expense, maintain and keep the Equipment or cause the Equipment to be maintained and kept, in good repair and efficient condition and working order, eligible for interchange with other railroads pursuant to AAR Interchange Standards. The Vendee shall supply all parts, services and other items required in the operation and maintenance of the Equipment. All parts, replacements, substitutions and additions to or for any Equipment shall immediately become Equipment and shall constitute accessions to the Equipment subject to all the terms and conditions of this Agreement.

In the event that any Unit of the Equipment shall be or become worn out, lost, stolen, destroyed, irreparably damaged, from any cause whatsoever, taken or requisitioned by condemnation or otherwise, or there shall occur any other material interruption or termination of use of any Unit regardless of the cause (such occurrences being herein called "Casualty Occurrences"), the Vendee shall, promptly after it shall have determined that such Unit has suffered a Casualty Occurrence, cause the Vendor to be fully notified in regard thereto (including without limitation, a full description of the Casualty Occurrence) and within Sixty (60) days thereafter Vendee shall pay to Vendor a sum equal to the aggregate Casualty Value (as hereinafter defined) of such Unit as of the date of such payment. Concurrently with each payment of Casualty Value pursuant to this Article 7, the Vendee shall file, or cause to be filed, with the Vendor a certificate setting forth the Casualty Value of each Unit as to which such payment is being made. Any money paid to the Vendor pursuant to this paragraph shall be applied to prepay without penalty or premium, ratably in accordance

with the unpaid balance of each installment, the Conditional Sale Indebtedness and the Vendor will promptly furnish to the Vendee a revised schedule of payments of principal and interest thereafter to be made, in such number of counter-parts as the Vendee may request.

Upon payment by the Vendee to the Vendor of the Casualty Value of any Unit of the Equipment having suffered a Casualty Occurrence, absolute right to the possession of, title to and interest in such Unit shall pass to and vest in the Vendee, without further transfer or action on the part of the Vendor, except that the Vendor, if requested by the Vendee, will execute and deliver to the Vendee, at the expense of the Vendee and without liability to the Vendor, an appropriate instrument confirming such passage to the Vendee of all the Vendor's right, title and interest in such Unit, in recordable form, in order that the Vendee may make clear upon the public records the title of the Vendee to such Unit.

The Casualty Value of each Unit of the Equipment suffering a Casualty Occurrence shall be deemed to be that portion of the original Purchase Price attributable to such Unit remaining unpaid on the date as of which such Casualty Value shall be determined (without giving effect to any prepayment or prepayments theretofore made under this Article), plus interest accrued thereon but unpaid as of such date. For the purpose of this paragraph, each payment of the Purchase Price in respect of Equipment made pursuant to Article 4 hereof shall be deemed to be a payment on each Unit of the Equipment in like proportion as the original Purchase Price of such Unit bears to the aggregate original Purchase Price of the Equipment.

Any condemnation payments or insurance proceeds received by the Vendor in respect of Units suffering a Casualty Occurrence shall be deducted from the amounts payable by the Vendee to the Vendor in respect of Casualty Occurrences pursuant to the second paragraph of this Article. If the Vendor shall receive any condemnation payments or insurance proceeds in respect of such Units suffering a Casualty Occurrence after the Vendee shall have made payments pursuant to this Article without deduction for such condemnation payments or insurance proceeds, the Vendor shall pay such condemnation payments or insurance proceeds to the Vendee

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provided that no event of default shall have occurred and be continuing hereunder. All insurance proceeds received by the Vendor in respect of any Unit or Units of Equipment not suffering a Casualty Occurrence shall be paid to the Vendee upon proof satisfactory to the Vendor that any damages to such Unit in respect of which such proceeds were paid has been fully repaired, or shall be disbursed upon written request of Vendee to any third party in payment for such repairs.

The Vendee shall cause to be procured, maintained and paid for, by itself or its designee, with insurers acceptable to Vendor, insurance in an amount at all times at least equal to the Casualty Value of the Units of Equipment then subject to this Agreement, insuring against loss and destruction of, and damage to, each such Unit arising out of theft, loss, damage, destruction, fire, windstorm, explosion, and all other hazards and risks ordinarily subject to extended coverage insurance, and against such other hazards and risks as are customarily insured against by companies owning or leasing property of a similar character and engaged in a business similar to that engaged in by Manager.

The Vendee shall further maintain or cause to be maintained with reputable insurers acceptable to the Vendor public liability and property damage insurance with respect to the Equipment in amounts not less than the greater of (a) the amounts of insurance maintained by the Vendee or Manager with respect to railroad equipment of a similar kind as the Equipment owned or leased by the Vendee, or (b) bodily injury and property damage liability insurance in an amount not less than \$5,000,000; provided, however, Vendee shall not be obligated to maintain such insurance with respect to the use of the Equipment on Other Railroads (as defined in Section 5 of the Management Agreement) if such insurance is commercially unavailable. Each liability insurance policy shall be primary without right of contribution from any other insurance which is carried by the Vendor and shall expressly provide that all of the limits thereof, except the limits of liability, shall operate in the same manner as if there were a separate policy covering each insured.

The Vendee warrants that the foregoing insurance coverage shall be in effect at the execution of this Agreement. Such insurance shall (i) name the Vendor and any other holder of a security interest in the Units of Equipment as insureds or additional insureds in addition to the Vendee and the Manager with losses to be payable to the Vendor, (ii) provide that the policies will not be invalidated as against the Vendor or any holder of a security interest in the Units of Equipment because of any violation of a condition

or warranty of the policy or application thereof by the Vendee, Owner's Agent, or Manager and (iii) provide that the policies may be materially altered or cancelled by the insurer only after thirty (30) days prior written notice to the Vendor and any holder of a security interest in the Equipment.

ARTICLE 8. Reports and Inspections. On or before March 31 in each year, commencing with the year 1980, the Vendee shall cause to be furnished to the Vendor an accurate statement: (a) setting forth as of the preceding December 31 (i) the amount, description and numbers of all Units of the Equipment then subject to this Agreement, (ii) the amount, description and numbers of all Units of the Equipment that have suffered a Casualty Occurrence or are then undergoing repairs (other than running repairs) or have been withdrawn from use pending repairs (other than running repairs) during the preceding calendar year (or since the date of this Agreement in the case of the first such statement), and (iii) the dollar amount spent in the maintenance and repair of each Unit during the preceding calendar year (or since the date of this Agreement in the case of the first such statement) and such other information regarding the condition and state of repair of the Equipment as the Vendor may reasonably request; and (b) stating that, in the case of all Equipment repaired or repainted during the period covered by such statement, the numbers and markings required by Article 9 hereof have been preserved or replaced. The Vendor shall have the right, by its agents, to inspect the Equipment and the Vendee's and any assignee of Vendee's records with respect thereto at such reasonable times as the Vendor may request during the term of this Agreement.

Vendee shall also furnish, or cause to be furnished to Vendor on or before April 30 in each year during the term of the Agreement, commencing with the year 1979, audited Financial Statements prepared in accordance with generally accepted accounting principles consistently applied (and in case of Vendee income tax returns) of Vendee, the Owner's Agent, the Manager, and any other party which shall replace the Manager as manager of the Equipment or as lessee of the Equipment under a lease providing for use of the Equipment by such lessee for a period of not less than one (1) year.

The Vendee shall prepare and deliver to the Vendor within a reasonable time prior to the required date of filing (or, to the extent permissible, file on behalf of the

Vendor) all reports (other than income tax returns), if any, relating to maintenance, registration and operation of the Equipment required to be filed by the Vendor with any federal, state or other regulatory agency by reason of the ownership by the Vendor of Security Title to the Equipment or the provisions hereof.

ARTICLE 9. Marking of Equipment. The Vendee will cause each Unit of the Equipment to be kept numbered with the identifying number of the Manager set forth in Annex A hereto, or, in the case of Equipment not there listed, such identifying number as shall be set forth in any amendment or supplement hereto extending this Agreement to cover such Equipment, and will keep and maintain, plainly, distinctly, permanently and conspicuously marked on each side of each Unit, in letters not less than one inch in height, the words "OWNED BY BBT, A NEVADA LIMITED PARTNERSHIP, AND SUBJECT TO A SECURITY AGREEMENT FILED UNDER THE INTERSTATE COMMERCE ACT, THE PROVIDENT BANK, CINCINNATI, OHIO, AGENT, SECURITY OWNER" or other appropriate words designated by the Vendor, with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Vendor's interest in the Equipment and its rights under this Agreement. The Vendee will not permit any such Unit to be placed in operation or exercise any control or dominion over the same until such numbers and markings shall have been made thereon and will replace or will cause to be replaced promptly any such numbers and markings which may be removed, defaced or destroyed. The Vendee will not permit the identifying number of any Unit of the Equipment to be changed except in accordance with a statement of new number or numbers to be substituted therefor, which statement previously shall have been filed with the Vendor and filed, recorded and deposited by or on behalf of the Vendee in all public offices where this Agreement shall have been filed, recorded and deposited.

Except as provided in the immediately preceding paragraph, the Vendee will not allow the name of any person, association or corporation to be placed on any Unit of the Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Equipment may be lettered with the names or initials or other insignia customarily used by the Vendee and/or the Manager or its respective affiliates.

ARTICLE 10. Compliance with Laws and Rules. During the term of this Agreement, the Vendee will comply, and will use its best efforts to cause the Manager and every manager or user of the Equipment to comply in all respects (including, without limitation, with respect to the use, maintenance and operation of the Equipment) with all laws of the jurisdictions in which its or such manager's or user's operations involving the Equipment may extend, with the interchange rules of the AAR and with all lawful rules of the Department of Transportation, the ICC and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Equipment, to the extent that such laws or rules affect the title, operation or use of the Equipment, and in the event that such laws or rules require any alteration, replacement or addition of or to any part on any Unit of the Equipment, the Vendee will conform therewith at its own expense; provided, however, that the Vendee may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Vendor, adversely affect the property or rights of the Vendor under this Agreement.

ARTICLE 11. Possession and Use. The Vendee, so long as an event of default shall not have occurred and be continuing under this Agreement, shall be entitled, from and after delivery of the Equipment to the Vendee, to the possession of the Equipment and the use thereof, but only upon and subject to all the terms and conditions of this Agreement.

The Vendee may contract with the Manager for the maintenance, use and management of the Equipment as provided in the Management Agreement, but the rights of the Manager shall be subordinated and junior in rank to the rights, and shall be subject to the remedies, of the Vendor under this Agreement. The Vendee hereby agrees that it will not exercise any of the remedies permitted in the case of an Event of Default under and as defined in the Management Agreement without the prior written consent of the Vendor, which consent shall not be unreasonably withheld, and hereby further agrees to furnish to the Vendor copies of all summons, writs, processes and other documents served by it upon the Manager or served by the Manager upon it in connection therewith. The Management Agreement shall not be amended or modified by the Vendee without the prior written consent of the Vendor, which consent shall not be unreasonably withheld.

So long as an event of default shall not have occurred and be continuing under this Agreement, the Equipment may, on and subject to all the terms and conditions of this

Agreement, be used (i) upon the lines of railroad owned or operated by the Manager or its affiliates (or any other railroad company approved by the Vendor) or upon lines of railroad over which the Manager or any such affiliate has trackage or other operating rights or over which railroad equipment of the Manager or any such affiliate is regularly operated pursuant to contract and (ii) upon connecting and other carriers in the usual interchange of traffic or pursuant to run-through agreements; provided, however, that the Vendee shall not assign or permit the assignment of any Unit of the Equipment to service involving the regular operation and maintenance thereof outside the United States of America; and provided, further, that at no time shall more than ten percent (10%) of the Units knowingly be outside the United States of America.

ARTICLE 12. Prohibition Against Liens. The Vendee will pay or discharge any and all sums claimed by any party from, through or under the Vendee or their successors or assigns which, if unpaid, might become a lien, charge, or security interest on or with respect to the Equipment, or any Unit thereof, equal or superior to the Vendor's security interest therein, and will promptly discharge any such lien, charge or security interest which arises, but shall not be required to pay or discharge any such claim so long as the validity thereof shall be contested in good faith and by appropriate legal proceedings in any reasonable manner and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the security interest of the Vendor in or to the Equipment or otherwise under this Agreement. Any amounts paid by the Vendor in discharge of liens, charges or security interests upon the Equipment shall be secured by and under this Agreement, and shall bear interest at the same rate as the Conditional Sale Indebtedness from the date of payment by Vendor to and including the date of reimbursement by Vendee.

This covenant will not be deemed breached by reason of liens for taxes, assessments, or governmental charges or levies, in each case not due and delinquent, or undetermined or inchoate materialmen's, mechanics', workmen's, repairmen's or other like liens arising in the ordinary course of business and, in each case, not delinquent.

The foregoing provisions of this Article 12 shall be subject to the limitations set forth in the next to the last paragraph of Article 4 hereof; provided, however, that the Vendee will pay or discharge any and all claims, liens,

charges or security interests claimed by any party from, through or under the Vendee or its successors or assigns, not arising out of the transactions contemplated hereby (but including tax liens arising out of the receipt of the Income and Proceeds from the Equipment), equal or superior to the Vendor's security interest therein, which, if unpaid, might become a lien, charge or security interest on or with respect to the Equipment, or any Unit thereof, or the Vendee's interest in the Management Agreement and the payments to be made thereunder, but the Vendee shall not be required to pay or discharge any such claim so long as the validity thereof shall be contested in good faith and by appropriate legal or administrative proceedings in any reasonable manner and the nonpayment thereof does not, in the opinion of the Vendor, adversely affect the security interest of the Vendor in or to the Equipment or otherwise under this Agreement or in and to the Management Agreement and the payments to be made thereunder.

ARTICLE 13. Indemnities and Warranties. The Vendee agrees to indemnify, protect and hold harmless the Vendor from and against all losses, damages, injuries, liabilities, claims, and demands whatsoever, regardless of the cause thereof, and expenses in connection therewith, including, but not limited to counsel fees and expenses, penalties and interest, arising out of or as the result of the entering into or the performance of this Agreement, the retention by the Vendor of title to or a security interest in the Equipment, the ordering, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any of the Equipment, any accident, in connection with the operation, use, condition, possession, storage, or return of any of the Equipment resulting in damage to property or injury or death to any person during the period when title thereto remains in the Vendor or the transfer of title to the Equipment by the Vendor pursuant to any of the provisions of this Agreement, except, however, any losses, damages, injuries, liabilities, claims, and demands whatsoever arising out of any tort, breach of warranty or failure to perform any covenant hereunder by the Builder, or resulting from the violation by Vendor of any present law, regulation or order of any governmental agency or subdivision thereof to which Vendor is subject or any present or future agreement to which Vendor is a party. This covenant of indemnity shall continue in full force and effect notwithstanding the full payment of the indebtedness in respect of the Purchase Price of, and the conveyance of Security Title to, the Equipment, as provided in Article 5 hereof, or the termination of this Agreement in any manner whatsoever.

The Vendee will bear the responsibility for and risk of, and shall not be released from its obligations hereunder

in the event of, any damage to or the destruction or loss of any Unit of or all the Equipment.

Unless Vendor elects to exercise its rights and remedies against Builder under the Purchase Agreement, Purchase Agreement Assignment and Bills of Sale, Vendor hereby authorizes the Vendee, to the exclusion of the Vendor, to exercise in Vendor's name, all rights and powers of the Buyer under the Purchase Agreement and the Bills of Sale executed pursuant thereto to retain any recovery or benefit resulting from the enforcement of any warranty or indemnity under the Purchase Agreement in respect of the Equipment, except that the Vendee shall not enter into any change order, amendment, modification or supplement to the Purchase Agreement without the prior written consent or counter signature of the Vendor. VENDOR IS NOT A MANUFACTURER OF THE EQUIPMENT, AND HAS NOT MADE AND DOES NOT HEREBY MAKE ANY REPRESENTATION, WARRANTY OR COVENANT WITH RESPECT TO MERCHANTABILITY, FITNESS FOR ANY PURPOSE, CONDITION, QUALITY, DURABILITY OR SUITABILITY OF THE EQUIPMENT IN ANY RESPECT OR IN CONNECTION WITH, OR FOR THE PURPOSES OR USES OF VENDEE, OR ANY OTHER REPRESENTATION, WARRANTY OR COVENANT OF ANY KIND OR ANY CHARACTER EXPRESSED OR IMPLIED, WITH RESPECT THERETO. However, Vendor does hereby represent and warrant that it has not taken any action resulting in the creation of any claim, lien or other encumbrance on title to the Equipment, and that it is conveyed to Vendee, subject to the terms and conditions hereof and the retention of security title hereunder, the title conveyed to it by the Builder.

ARTICLE 14. Assignments. The Vendee will not (a) except as provided in Article 11 hereof, transfer the right to possession of any Unit of the Equipment or (b) sell, assign, transfer or otherwise dispose of its rights under this Agreement without the prior written consent of the Vendor. The General Partners of Owner shall at all times maintain their corporate existence, and they shall not consolidate with or merge into any other corporation or convey, transfer or lease substantially all of their assets as an entirety or either of them to any other Person (which means any individual, corporation, partnership, joint venture, association, trust, unincorporated organization or government or agency thereof) unless the corporation formed by such consolidation or merger or the Person which acquires substantially all the assets of either General Partner shall

be a corporation organized and existing under the laws of the United States or any state or the District of Columbia, and shall execute and deliver to the Agent an agreement in form satisfactory to the Agent containing an assumption of such successor corporation or Person of the due and punctual performance of the covenants and conditions of this Agreement and the Financing Agreement; provided, further, immediately after giving effect to such transaction, no Event of Default and no event, which after notice or lapse of time, or both, would become an Event of Default, shall have occurred and be continuing.

All or any of the rights, benefits, and advantages of the Vendor under this Agreement, including the right to receive the payments herein provided to be made by the Vendee may be assigned by the Vendor and reassigned by any assignee at any time or from time to time. Upon any such assignment, either the assignor or the assignee shall give written notice to the Vendee, together with a counterpart or copy of such assignment, stating the identity and post office address of the assignee, and such assignee shall, by virtue of such assignment acquire all the assignor's right, title and interest in and to the Equipment and this Agreement, or in and to a portion thereof, as the case may be, subject only to such reservations as may be contained in such assignment. From and after the receipt by the Vendee of the notification of any such assignment, all payments thereafter to be made by the Vendee under this Agreement shall, to the extent so assigned, be made to the assignee in such manner as it may direct.

The Vendee recognizes that it is the custom of railroad equipment manufacturers or sellers to assign agreements of this character and understands that the assignment of this Agreement, or of some of or all the rights of the Vendor hereunder, is contemplated. THE VENDEE EXPRESSLY REPRESENTS, FOR THE PURPOSE OF ASSURANCE TO ANY PERSON, FIRM OR CORPORATION CONSIDERING THE ACQUISITION OF THIS AGREEMENT OR OF ALL OR ANY OF THE RIGHTS OF THE VENDOR HEREUNDER, AND FOR THE PURPOSE OF INDUCING SUCH ACQUISITION, THAT IN THE EVENT OF SUCH ASSIGNMENT BY THE VENDOR AS HEREINBEFORE PROVIDED, THE RIGHTS OF SUCH ASSIGNEE TO THE ENTIRE UNPAID INDEBTEDNESS IN RESPECT OF THE PURCHASE PRICE OF THE EQUIPMENT OR SUCH PART THEREOF AS MAY BE ASSIGNED, TOGETHER WITH INTEREST THEREON, AS WELL AS ANY OTHER RIGHTS HEREUNDER WHICH MAY BE SO ASSIGNED, SHALL NOT BE SUBJECT TO ANY DEFENSE, SETOFF, COUNTERCLAIM, OR RECOUPMENT WHATSOEVER ARISING OUT OF ANY BREACH OF ANY OBLIGATION OF THE VENDOR WITH RESPECT TO THE

EQUIPMENT NOR SUBJECT TO ANY DEFENSE, SETOFF, COUNTERCLAIM OR RECOUPMENT WHATSOEVER ARISING BY REASON OF ANY OTHER INDEBTEDNESS OR LIABILITY AT ANY TIME OWING TO THE VENDEE BY THE VENDOR. ANY AND ALL SUCH OBLIGATIONS HOWSOEVER ARISING, SHALL BE AND REMAIN ENFORCEABLE BY THE VENDEE AGAINST AND ONLY AGAINST THE VENDOR.

In the event of any such assignment or successive assignments by the Vendor, the Vendee will, upon request by the assignee, change, or cause to be changed, the markings on each side of each Unit of the Equipment so as to be consistent with the interest of such assignee in the Equipment, to the extent necessary to conform to any requirements of the laws of the jurisdictions in which the Equipment shall be operated. The cost of such markings in the event of an assignment of not less than all the Equipment at the time covered by this Agreement shall be borne by the Vendee in the case of the first such assignment requiring a change or addition to the markings on each Unit specified in Article 9 hereof, and, in the case of such subsequent assignments, if any, or in the event of an assignment of less than all such Equipment, such cost shall be borne by such assignee.

ARTICLE 15. Defaults. In the event that any one or more of the following events of default ("Event of Default") shall occur and be continuing, to wit:

(a) the Vendee shall fail to pay in full any indebtedness in respect of the Purchase Price or Maintenance Escrow Account or any other sum payable by the Vendee as provided in this Agreement within ten (10) days after payment thereof shall be due hereunder; or

(b) the Vendee shall, for more than thirty (30) days after the Vendor shall have demanded in writing performance thereof, fail or refuse to comply with any other covenant, agreement, term or provision of this Agreement, the Management Agreement, or of any agreement entered into concurrently herewith relating to the financing of the Equipment, on its part to be kept and performed or to make provision satisfactory to the Vendor for such compliance; or

(c) any proceeding shall be commenced by or against the Vendee for any relief which includes, or might result in, any modification of the obligations of the Vendee hereunder under any bankruptcy or insolvency laws, or laws

relating to the relief of debtors, readjustments or indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit the readjustment of the obligations of the Vendee under this Agreement), and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), if all the obligations of the Vendee under this Agreement shall not have been and shall not continue to have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed (whether or not subject to ratification) for the Vendee or for its property in connection with any proceedings in such manner that such obligations shall have the same status as obligations incurred by such trustee or trustees or receiver or receivers, within 30 days after such appointment, if any, or 60 days after such proceedings shall have been commenced, whichever shall be earlier;

(d) the Vendee shall make or suffer any unauthorized assignment or transfer of this Agreement or any interest herein or any unauthorized transfer of the right to possession of any Unit of the Equipment and this Agreement or any interest therein or on any Unit of Equipment, as the case may be, shall not be reassigned or retransferred within ten (10) days of written notice from the Vendor to do so; or

(e) an Event of Default shall have occurred under the Management Agreement entered into with respect to the Equipment and be continuing for thirty (30) days (or in the case of an Event of Default under Section 12(C) of the Management Agreement, thirty (30) days after Vendee's receipt of actual knowledge of such Event of Default) without the Vendee, with written consent of Vendor, having terminated the Management Agreement pursuant to the terms thereof and entered into a new management agreement or lease or otherwise provided for the use of the Equipment by a manager, lessee or other user acceptable to the Vendor in its sole and absolute discretion, upon terms acceptable to the Vendor in its sole and absolute discretion; or

(f) an Event of Default (as defined in the Agency Agreement) shall have occurred under the Agency Agreement and shall be continuing for Sixty (60) days without the Vendee, with consent of Vendor, having secured a successor agent to Owner's Agent, acceptable to Vendor in its sole and absolute discretion;

then at any time after the occurrence of any Event of Default and so long as such event shall be continuing the Vendor may, upon written notice to the Vendee, the Owner's Agent and the Manager, upon compliance with any mandatory legal requirements then in force and applicable to such action by the Vendor, (i) cause the Management Agreement, (upon occurrence of an Event of Default under subsection (e) hereof) Agency Agreement and any other agreement with respect to the Equipment, or any Unit or Units thereof, then in effect immediately upon such notice to terminate and/or (ii) declare (hereinafter called a Declaration of Default) the entire unpaid indebtedness in respect of the Purchase Price of the Equipment, together with the interest thereon then accrued and unpaid, immediately due and payable, without further demand, and thereafter the aggregate of the unpaid balance of such indebtedness and interest shall bear interest from the date of such Declaration of Default at the rate per annum specified in Article 4 hereof as being applicable to amounts remaining unpaid after becoming due and payable. Upon a Declaration of Default, the Vendor shall be entitled to recover judgment for the entire unpaid balance of the indebtedness in respect of the Purchase Price of the Equipment so payable, with interest as aforesaid, and to collect such judgment out of any property of the Vendee, wherever situated. The Vendee shall promptly notify the Vendor of any event which has come to its attention which constitutes, or with the giving of notice and/or lapse of time could constitute, an event of default under this Agreement.

The Vendor may, at its election, waive any such event of default and its consequences and rescind and annul any Declaration of Default or notice of termination of the Management Agreement or any such other agreement by notice to the Vendee and the Manager in writing to that effect, and thereupon the respective rights of the parties shall be as they would have been if no such event of default had occurred and no Declaration of Default or notice of termination of the Management Agreement or any such other agreement had been made or given. Notwithstanding the provisions of this paragraph, it is expressly understood and agreed by the Vendee that time is of the essence of this Agreement and that no such waiver, rescission or annulment shall extend to or affect any other or subsequent default or impair any rights or remedies consequent thereon.

ARTICLE 16. Remedies. Subject to the rights of the Manager under the Management Agreement at any time during the continuance of a Declaration of Default, the Vendor may,

and upon such further notice, if any, as may be required for compliance with any mandatory legal requirements then in force and applicable to the action to be taken by the Vendor, take or cause to be taken, by its agent or agents, immediate possession of the Equipment, or one or more of the Units thereof, without liability to return to the Vendee any sums theretofore paid and free from all claims whatsoever, except as hereinafter in this Article 16 expressly provided, and may remove the same from possession and use of the Vendee or any other person and for such purpose may enter upon the premises of the Vendee or any other premises where the Equipment may be located and may use and employ in connection with such removal any supplies, services and aids and any available trackage and other facilities or means of the Vendee, subject to all mandatory requirements of due process of law.

In case the Vendor shall demand possession of the Equipment pursuant to this Agreement and shall designate a reasonable point or points for the delivery of the Equipment to the Vendor, the Vendee shall, at its own expense and risk subject to the rights of the Manager, under the Management Agreement:

(a) forthwith and in the usual manner (including, but not by way of limitation, causing prompt telegraphic and written notice to be given to the Association of American Railroads and all railroads to which any unit or units of the Equipment have been interchanged to return the unit or units so interchanged) cause the Equipment to be placed upon such storage tracks of the Manager as the Vendor reasonably may designate; or, in the absence of such designation, as the Vendee or Manager may select; provided, however, that such storage on the tracks of the Manager will not be required if such storage will interfere with the operations of the railroad of the Manager;

(b) permit the Vendor to store the Equipment on such tracks or other premises at the risk of the Vendee without charge for rent or storage until the Equipment has been sold, leased or otherwise disposed of by the Vendor; and

(c) cause the Equipment to be transported to any reasonable place on the lines of railroad operated by the Manager or any of its affiliates or to any connecting carrier for shipment, all as directed by the Vendor.

During any storage period, the Vendee will, at its own cost and expense, insure, maintain and keep each such Unit in good order and repair and will permit the inspection of the Equipment by the Vendor, the Vendor's representatives and prospective purchasers, lessees and users. This agreement to deliver the Equipment and furnish facilities as hereinbefore provided is of the essence of the agreement between the parties, and, upon application to any court of equity having jurisdiction in the premises, the Vendor shall be entitled to a decree against the Vendee requiring specific performance hereof. The Vendee hereby expressly waives any and all claims against the Vendor and its agent or agents for damages of whatever nature in connection with any retaking of any unit of the Equipment in any reasonable manner.

At any time during the continuance of a Declaration of Default, the Vendor may, at its election and upon such notice as is hereinafter set forth, retain all of Vendor's rights in and to the Equipment in satisfaction of the entire Conditional Sale Indebtedness and make such disposition thereof as the Vendor shall deem fit. Written notice of the Vendor's election to retain all rights in the Equipment shall be given to the Vendee, the Owner's Agent and the Manager by telegram or registered mail, addressed as provided in Article 22 hereof, and to any other persons to whom the law may require notice, within Thirty (30) days after such Declaration of Default. In the event that the Vendor should elect to retain all rights in the Equipment and no objection is made thereto within the Thirty (30) day period following such written notice of Vendor's election, all the Vendee's rights in the Equipment shall thereupon terminate and all payments made by the Vendee or for its account may be retained by the Vendor as compensation for the use of the Equipment and the Vendor shall make such disposition of the Equipment exclusively for its own account as the Vendor, in its sole discretion, shall deem fit; provided, however, that if the Vendee, before the expiration of the Thirty (30) day period described above should pay or cause to be paid to the Vendor the total unpaid balance of the Conditional Sale Indebtedness, together with interest thereon accrued and unpaid and all other payments due under this Agreement, then in such event absolute right to the possession of, title to and property in the Equipment shall pass to and vest in the Vendee.

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To the full extent permitted by applicable law, the Vendee hereby (i) consents to the repossession and retention of the Equipment by the Vendor in satisfaction of the unpaid indebtedness in respect of the Purchase Price of the Equipment upon a Declaration of Default as aforesaid, (ii) waives all rights, if any, which it may have to object to such repossession and retention of the Equipment in the manner aforesaid or to require the sale, lease or other disposition of the Equipment by the Vendor, and (iii) upon the occurrence of an Event of Default under subsection (a) hereof, releases all its rights and interest, if any, to and in the proceeds realized by Vendor from disposition of the Equipment, including without limitation, proceeds in excess of the unpaid indebtedness in respect of the Purchase Price of the Equipment.

Each and every power and remedy hereby specifically given to the Vendor shall be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law or in equity, and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Vendor. All such powers and remedies shall be cumulative, and the exercise of one shall not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Vendor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder shall impair any such power or remedy or shall be construed to be a waiver of any default or an acquiescence therein. Any extension of time for payment hereunder or other indulgence duly granted to the Vendee, the Owner's Agent or the Manager shall not otherwise alter or affect the Vendor's rights or the Vendee's obligations hereunder. The Vendor's acceptance of any payment after it shall have become due hereunder shall not be deemed to alter or affect the Vendee's obligations or the Vendor's rights hereunder with respect to any subsequent payments or default therein.

If, after applying all sums of money realized by the Vendor under the remedies herein provided, there shall remain any amount due to it under the provisions of this Agreement, the Vendee shall pay the amount of such deficiency to the Vendor upon demand, together with interest thereon from the date of such demand to the date of payment at the rate per annum specified in Article 4 hereof as being applicable to amounts remaining unpaid after becoming due and payable, and, if the Vendee shall fail to pay such

deficiency, the Vendor may bring suit therefor and shall be entitled to recover a judgment therefor against the Vendee. It is understood and agreed between Vendor and Vendee that the liability of the Vendee (or any assignee of the Vendee under Article 14 hereof) for all payments to be made by it under or pursuant to this Agreement, including any liability arising out of or in connection with the performance of its obligations hereunder, shall be limited to the property and assets of the Vendee, which shall include the property and assets of Bijur Transport, Inc. and Apartment House Decorative Co., Inc., its sole General Partners, and their respective successors and assigns under Article 14 hereof, and not the property and assets of any limited partner of Vendee, or any past, present or future stockholders of its General Partners.

The Vendee will pay all reasonable expenses, including attorneys' fees, incurred by the Vendor in enforcing its remedies under the terms of this Agreement. In the event that the Vendor shall bring any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Vendor may recover reasonable expenses, including reasonable attorneys' fees, and the amount thereof shall be included in such judgment.

The foregoing provisions of this Article 16 are subject in all respects to all mandatory legal requirements at the time in force and applicable thereto.

The Vendee will pay all reasonable expenses, including attorneys' fees, incurred by the Vendor in enforcing its remedies under the terms of this Agreement. In the event that the Vendor shall bring any suit to enforce any of its rights hereunder and shall be entitled to judgment, then in such suit the Vendor may recover reasonable expenses, including reasonable attorneys' fees, and the amount thereof shall be included in such judgment.

Except as herein agreed to the contrary, the foregoing provisions of this Article 16 are subject in all respects to all mandatory legal requirements at the time in force and applicable thereto.

ARTICLE 17. Maintenance Escrow Account. The Vendee shall pay to Vendor, to be held in trust, subject to the provisions hereof, by Vendor (hereinafter called "Maintenance Escrow Account") and invested in accordance with the provisions of 6(c) of the Finance Agreement, one (1) semi-annual payment in arrears on July 30, 1979, ten (10)

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quarterly payments in arrears, commencing October 30, 1979, and twelve (12) annual payments in advance commencing on April 30, 1982, all such payments in the amounts set forth in Annex F attached hereto and made a part hereof. So long as no event of default exists and is continuing, Vendee shall have the right, upon thirty (30) days prior written request, to withdraw funds from the Maintenance Escrow Account as allocated to each Unit, when necessary to maintain such Unit in the condition required pursuant to Article 7 hereof; provided, however, Vendee shall submit to Vendor satisfactory evidence of the items of repair, and such other evidence or documents as Vendor may reasonably request, including without limitation, satisfactory evidence of compliance with all the terms and provisions of this Agreement.

Promptly upon the occurrence of a Declaration of Default, Vendor shall have the absolute right to retain the Maintenance Escrow Account and apply it, in its sole discretion, as additional security for the Conditional Sale Indebtedness, and all other sums due and owing. Vendor shall have no liability resulting from the retention and investment of the Maintenance Escrow Account, so long as it complies with the terms of 6(c) of the Finance Agreement. Any amounts held by Agent in the Maintenance Escrow Account shall be paid to Owner upon compliance with the conditions contained in Article 5 hereof for passage of title to the Equipment.

ARTICLE 18. Applicable State Laws. Any provision of this Agreement prohibited by any applicable law of any jurisdiction (which is not overridden by applicable federal law) shall as to such jurisdiction be ineffective, without modifying the remaining provisions of this Agreement. Where, however, the conflicting provisions of any such applicable law may be waived, they are hereby waived by the Vendee to the full extent permitted by law, it being the intention of the parties hereto that this Agreement shall be deemed to be a conditional sale and enforced as such.

Except as otherwise provided in this Agreement, the Vendee, to the full extent permitted by law, hereby waives all statutory or other legal requirements for any notice of any kind, notice of intention to take possession of or to sell or lease the Equipment, or any one or more Units thereof, and any other requirements as to the time, place and terms

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of the sale or lease thereof, any other requirements with respect to the enforcement of the Vendor's rights under this Agreement and any and all rights of redemption.

ARTICLE 19. Recording. Prior to the delivery and acceptance of any Unit of the Equipment and prior to the settlement for such Unit, the Vendee will cause this Agreement, any assignments hereof by the Vendee and any amendments or supplements hereto and thereto, in each case to be filed, registered, recorded, or deposited and refiled, reregistered, rerecorded, or redeposited, with the ICC in accordance with 49 U.S.C. 11303. The Vendee will, from time to time, do and perform any other act and will execute, acknowledge, deliver, and file, register, deposit and record (and will refile, reregister, rerecord or redeposit whenever required) any and all further instruments required by law or reasonably requested by the Vendor for the purpose of proper protection in the United States of America, to the satisfaction of the Vendor and its counsel, of its title to the Equipment and its rights under this Agreement or for the purpose of carrying out the intention of this Agreement and any assignment hereof. The Vendee will promptly furnish to the Vendor evidences of such filing, registering, depositing or recording and of such publication of notice of such deposit and an opinion or opinions of counsel with respect thereto, each satisfactory to the Vendor and its counsel.

ARTICLE 20. Payment of Expenses. The Vendee will pay, at the times set forth in Annex G, all reasonable costs and expenses, payment of which shall not be illegal under any laws of the United States, any State or any foreign jurisdiction (other than the fees and expenses of the Builder, the Manager, and their respective attorneys) incident to this Agreement, the Finance Agreement, the Purchase Agreement, the Purchase Agreement Assignment and the Agency and Management Agreement Assignment, and any instrument supplemental or related hereto or thereto, including all fees and expenses of counsel for Vendor, and those other costs and expenses set forth in Annex G, the total of which to all parties shall not exceed \$300,000.

ARTICLE 21. Article Headings; Effect and Modification of Agreement; Immunities. All article headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

As between the Vendor and the Vendee, this Agreement, including the Annexes hereto, exclusively and completely states the rights of the Vendor and the Vendee with respect to the Equipment and supersedes all other prior agreements, oral, or written, between them with respect to the Equipment.

No variation or modification of this Agreement and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized representatives of the Vendor and the Vendee.

ARTICLE 22. Notice. Any notice hereunder to any of the parties designated below shall be deemed to be properly served if delivered or mailed to it at its chief place of business at the following specified addresses:

(a) to the Vendee,

BBT
One East First Street
Suite 1203
Reno, Nevada 89501

with copies to:

Gibson, Dunn & Crutcher
2029 Century Park East
Los Angeles, California 90067
Attention: John P. Anderson
Robert E. Dean

(b) to the Builder,

Constructora Nacional De Carros
De Ferrocarril, S.A.
Av. Paseo de la Reforma 369
Mexico 5 D.F.
Attention: Inq. Enrique Ollivier Guibaudet

(c) to the Owner's Agent,

Railway Freight Car Services, Inc.
North Shore Towers
269-10C Grand Central Parkway
Floral Park, New York 11005
Attention: Mr. Harvey Polly

with a copy to:

Kronish, Lieb, Shainswit, Weiner & Hellman
1345 Avenue of the Americas
New York, New York 10019
Attention: Steven K. Weinberg

(d) to any assignee of the Vendor, or of the Vendee, at such address as may have been furnished in writing to the Vendee or the Vendor, as the case may be, by such assignee;

(e) to the Manager,

Columbus & Greenville Railway Company
P.O. Box 6000
Columbus, Mississippi 39701
Attention: Mr. Jim Thompson, Treasurer

(f) to the Vendor,

The Provident Bank, Agent
One East Fourth Street
Cincinnati, Ohio 45202
Attention: J. Lynn Brewbaker

with copies to:

Messrs. Keating, Muething & Klekamp
1800 Provident Tower
One East Fourth Street
Cincinnati, Ohio 45202
Attention: Mr. Richard D. Siegel

or at such other address as may have been furnished in writing by such party to the other parties to this Agreement.

ARTICLE 23. Law Governing. The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the State of New York; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. 11303, such additional rights arising out of the filing, recording, registering, or depositing hereof and of any assignment hereof shall be filed, recorded, registered or deposited, or in which any unit of the Equipment shall be located, and any rights arising out of the marking on the units of the Equipment.

The Vendee (a) designates the United States District Court for the Southern District of Ohio, Western Division, as a forum where any and all matters pertaining to this Agreement may be adjudicated, and (b) by the foregoing designation, consent to the jurisdiction and venue of such Court for the purpose of adjudicating any and all matters

pertaining to this Agreement. Each party hereto not having an agent for service of process of record with the Secretary of State of the State of Ohio hereby irrevocably appoints the Secretary of State of the State of Ohio as the agent for service of process in any proceeding instituted hereunder and each party hereto agrees that service of process upon such agent, in accordance with the then-prevailing and applicable law as hereinabove agreed to, with a copy of such summons or other instrument mailed to such party by United States registered mail at the address specified in Article 22 hereof, shall, upon receipt by such party, constitute proper service on such party for all purposes without objections of any kind whatsoever. Notwithstanding the provisions of this paragraph, any party hereto shall also be entitled to institute legal proceedings to adjudicate matters pertaining to this Agreement against the other in any other competent court.

ARTICLE 24. Execution. This Agreement may be executed in any number of counterparts, but the counterpart delivered to the Interstate Commerce Commission for recordation and subsequently redelivered to the Agent, shall be deemed the original counterpart and all other counterparts shall be deemed duplicates thereof. Although for convenience this Agreement is dated as of the date first above written, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgements hereto annexed.

IN WITNESS WHEREOF, the parties hereto have executed or caused this instrument to be executed all as of the date first above written.

BBT, Owner

BY: BIJUR TRANSPORT, INC.
General Partner

BY: _____

Attest:

BY: APARTMENT HOUSE DECORATIVE
CO., INC.
General Partner

Attest:

BY: _____

THE PROVIDENT BANK,
Agent and Vendor

BY: _____

Attest:

STATE OF)
 : SS:
COUNTY OF)

BEFORE ME, this _____ day of _____, 1979, the
Subscriber, a Notary Public in and for said County and
State, personally appeared _____ of
BIJUR TRANSPORT, INC. and _____
of APARTMENT HOUSE DECORATIVE CO., INC., the General Partners of
BBT, a Nevada Limited Partnership, and for themselves and as
such Partners and for and on behalf of said Partnership,
acknowledged that the signing and execution of the foregoing
instrument is their free and voluntary act and deed, their
free act and deed, as such Partners, and the free and voluntary
act and deed of said Partnership.

IN WITNESS WHEREOF, I have hereunto set my hand and
affixed my Notarial Seal on the day and year aforesaid.

Notary Public

STATE OF)
 : SS:
COUNTY OF)

BE IT REMEMBERED, That on the _____ day of _____,
1979, before me, the subscriber, a Notary Public in and for said
County and State, personally appeared _____
of THE PROVIDENT BANK, the banking corporation whose name is
subscribed to and which executed the foregoing instrument,

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and for himself and as such officer, and for and on behalf of said corporation, acknowledged that he did execute said instrument on behalf of said corporation, and that the signing and execution of said instrument is his free and voluntary act and deed, his free act and deed as such officer, and the free and voluntary act and deed of said corporation for the uses and purposes mentioned in said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal on the day and year aforesaid.

Notary Public